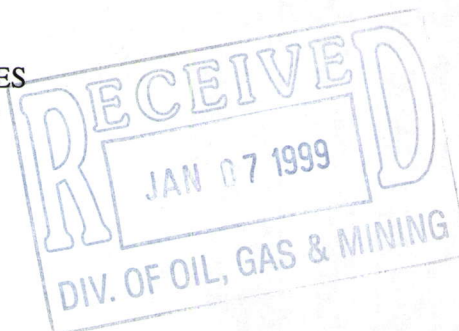


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1-98 To (mo./yr.) 12-98
2. DOGM File Number (Mine No): M/39/0002
3. Mine Name: REDMOND MINERALS CLAY & SALT MINES
4. Mineral(s) Mined (or permitted to mine): BENTONITE & SALT
5. Type of mine ☒ Surface Mine or ☒ Underground Mine
6. Legal Description (Location of Lands Affected):
W 1/4, W 1/4, 1/4, Section 24, Township 20S, Range 1W
1/4, 1/4, 1/4, Section, Township, Range
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: REDMOND MINERALS INC.
8. Permanent Street Address: 6005 N 100 W
City, State, Zip: REDMOND UT. 84652
Phone: (435) 529-7402
9. Company Representative (or designated operator):
Name: RONALD BOSSHARDT
Title: RECLAMATION MANAGER
Business Address: 6005 N 100 W
City, State, Zip: REDMOND UT. 84652
Phone: (435) 529-7402
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? SALT = 125,000
BENTONITE = 50,000

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
- _____
- _____
- _____ NONE
5. How much **additional acreage** was disturbed during the past year? NONE
6. How much acreage was **reclaimed** during the past year? NONE
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
- _____
- _____
- _____ NONE
8. What is the **total disturbed acreage of entire project** at years end? 68.62
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
- ANY NEW ACREAGE OPENED UP
FOR CLAY MINING, EQUAL ACREAGE
WILL BE RECLAIMED. NO NEW SALT
MINING ACREAGE WILL BE DISTURBED
WE ARE MINING UNDERGROUND.

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

RONALD BOSSHARDT

Title of Operator:

RECLAMATION MANAGER

Signature of Operator:

Ronald Bosshardt

Date:

1-4-99